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Programme budget for the biennium 2004-2005

Programme planning

Proposed strategic framework for the period 2006-2007

Part two: biennial programme plan

Programme budget implications of recommendations contained in the report of the Committee for Programme and Coordination

Statement submitted by the Secretary-General

1. Under the terms of paragraphs 347, 348 and 349 of its report (A/59/16), on programme 24, Management and support services, of the proposed strategic framework for the period 2006-2007 (A/59/6 (Prog. 24)), the Committee on Programme and Coordination recommended that the General Assembly request the Secretary-General to:

(a) Report to it at its sixtieth session, and biennially thereafter, on the contribution made by the Department of Management to the improvement of management practices, including measures to increase efficiency and productivity, in the Secretariat (para. 347);

(b) Develop a time-bound plan for the reduction of duplication, complexity and bureaucracy in United Nations administrative processes and procedures, including the adoption of a Secretariat-wide approach to streamline and automate them, and to report to the Assembly at its sixtieth session on the plan and on the progress made in implementing it (para. 348);

(c) Develop improved tools for identifying the cost of activities and outputs and to report to the Assembly at its sixtieth session on options for applying cost-accounting techniques drawing on best international practices (para. 349).

2. The activities to be carried out would relate to programme 24, Management and central support services, of the medium-term plan for the period 2002-2005, as

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revised (A/57/6/Rev.1), and section 29, Management and central support services, of the programme budget for the biennium 2004-2005 (A/58/6 (sect. 29A and B)).

3. In order to reflect the provisions of the recommendations, the programme of work under section 29, Management and central support services, of the programme budget for the biennium 2004-2005 would be modified as follows:

Section 29A
Office of the Under-Secretary-General for Management

B. Programme of work

1. Management services

In paragraph 29 A.14 (a) (ii), under "Parliamentary documentation", add the following outputs:

"report to the General Assembly at its sixtieth session on the contribution made by the Department of Management to the improvement of management practices, including measures to increase efficiency and productivity in the Secretariat; report to the General Assembly at its sixtieth session on a time-bound plan for the reduction of duplication, complexity and bureaucracy in the United Nations administrative processes and procedures, including a Secretariat-wide approach to streamline and automate the administrative processes and procedures";

Section 29B
Office of Programme Planning, Budget and Accounts

A. Executive direction and management

In paragraph 29B.16, add the following activities and re-letter the existing subparagraphs accordingly:

"(b) Parliamentary documentation: report to the General Assembly at its sixtieth session on options for applying cost-accounting techniques drawing on best international practices;

"(c) Other substantive services: feasibility study on the scope of requirements for developing improved tools for identifying the costs of activities and outputs".

4. As regards the reports recommended under paragraphs 347 and 348 of the report of the Committee on Programme and Coordination, it has been estimated that they could be prepared from within existing resources allocated under section 29A, Office of the Under-Secretary-General for Management, of the programme budget for the biennium 2004-2005.

5. The recommendation contained in paragraph 349 of the Committee's report would call for a feasibility study to be undertaken by the Secretariat in 2005. This would require the employment of a consulting firm that specializes in cost accounting. The aim of the study would be to analyse the available cost-accounting tools and their applicability for identifying and analysing the costs of the activities and outputs at the United Nations. Its scope would also cover the need for the

potential adaptation of existing multiple systems, including the Integrated Management Information System, the Integrated Monitoring and Documentation Information System and other existing systems for the provision of sustainable data, as well as the ongoing requirements for the acquisition, implementation, management and continued maintenance of the cost-accounting system. The related resource requirements for the study are estimated to amount to $500,000. It has been estimated that the requirements of $500,000 would require supplementary funding to be provided for that purpose. Eventual implementations, the cost of which can prudently be estimated in the millions of dollars, cannot be reliably projected at this time in advance of the required feasibility study.

6. The programme budget implications summarized in paragraphs 3 to 5 above were reported to the Committee for Programme Coordination at the time of the adoption of its report (see E/AC.51/2004/7) and to the Economic and Social Council at its 2004 substantive session (see A/59/16, para. 14), in accordance with rule 31 of the rules of procedure of the Economic and Social Council.

7. Should the General Assembly decide to endorse the recommendations contained in paragraphs 347, 348 and 349 of the report of the Committee on Programme and Coordination (A/59/16):

(a) The activities listed in paragraph 3 above would be added to the programme of work approved by resolution 58/270 of 23 December 2003 under section 29, Management and central support services;

(b) An additional appropriation in the amount of $500,000 would be required under section 29B, Office of Programme Planning, Budget and Accounts, of the programme budget for the biennium 2004-2005. This provision would represent a charge against the contingency fund and, as such, would need to be considered in the context of the consolidated statement of potential charges to the contingency fund to be presented to the Fifth Committee towards the end of the main part of current session of the General Assembly.